



Call for Business Concept Proposals

June 6, 2013

Introduction:

The US African Development Foundation (USADF) is pleased to cooperate with the World Bank Institute -IFC initiative on Incubating Innovation for Rural Off-Grid Electrification. Launched over a year ago, this initiative supports new private sector-led business model to accelerate off-grid rural electrification. Towards these objectives, the Government of Malawi and the World Bank Institute held a joint workshop to promote local African entrepreneurs to develop businesses to provide low-carbon off-grid energy solutions to meet the needs of rural, marginalized communities. The Low Carbon Rural Electrification Workshop held in Salima, Malawi on June 3-5 enabled participants to:

1. Acquire knowledge on new business models and technologies that could support private sector led off-grid rural electrification or energy access projects.
2. Understand the different financing and implementation mechanisms supporting the development of rural electrification.
3. Learn the key components of appropriate business models and how to develop a business proposal.

For information on the competition, please visit www.USADF.gov. For detailed information on the workshop, presentations and relevant details, please join the World Bank Collaboration for Development platform.

Business Planning Grants:

USADF proposes to provide **business planning grants** for the local currency equivalent of \$10,000 each for up to 5 promising ventures to enable the development of new private sector-led business models for off-grid rural electrification. The USADF/WBICC Preliminary Business Plan Outline describes the required elements to be developed. Grant funds would be used to cover costs associated with developing the business plan according to the Outline, including contracting with consultants and/or executing market studies, technical reviews, developing blueprints and construction plans, and other related business plan expenses. The USADF may elect to provide fewer grants, depending on the quality and potential of business proposals presented.

Eligibility Criteria:

This competition will only consider proposals from African-owned and led private, non-governmental organizations, associations or companies operating in good standing with their local government and other international standards. Evidence of African nationality and indication that the applicant is in good standing with relevant authorities will be required before announcing the grant award. Priority will be given to business concepts that benefit rural, marginalized populations.

Proposal Assessment Criteria:

1. Potential viability of proposed business concept. (40%)
2. Applicant's prior related experience, not limited to energy projects (35%)
3. Potential of business to reach underserved, marginalized, rural populations (25%)

Application Process:

All applicants are required to use the attached business proposal template. Information presented in the template proposal is anticipated to be estimates that will be updated as a result to the business plan exercise. The completed proposal template along with required documentation should be submitted by email, on or before June 28th, 2013 to OffgridEnergyChallenge@USADF.gov. Proposals sent to any other email address will not be accepted.

Timeline:

The competition will run from June 6, 2013 to June 28, 2013. Proposals received after the closing date of June 28, 2013 will not be accepted under any circumstances. USADF will evaluate the proposal, jointly with the WBG team, based on the assessment criteria provided above and the winners will be declared on July 26, 2013. USADF will make the final decisions on the incoming business planning grant proposals. The winners will be notified by email and will be required to immediately contact the USADF for further instructions, including grant disbursement, conditions for use of the grant and expenditure reporting requirements. The winners will also receive support from an expert advisory team for development of their preliminary business plans. Preliminary Business Plans will be due within six months of receipt of grant proceeds.

About USADF:

USADF was established in 1980 to invest in Africans and their ideas. As defined in its founding legislation – USADF funds African enterprises, cooperatives and associations, with a maximum grant size of \$250,000. Each year, USADF awards 125+ grants directly to cooperatives, SMEs, and community-based organizations to build capacity and expand economic activities. In 16 countries with over 300 project grants, USADF is benefiting more than a million and a half Africans. These people are marginalized, by location, gender, ethnicity, and other factors, and underserved by public, financial and other resources, including electricity. USADF operates as the only US agency exclusively centered on an African-led grassroots development model to encourage shared prosperity.